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Judge Rules For Dulles' Old Firm Lets It Remain In U. S. Oil Suit

CPYRGHT

Judge Irving R. Kaufman, of the United States District Court here, refused in a ruling yesterday to disqualify the law firm of Sullivan and Cromwell from serving as defense attorneys for the Standard Oil Co. of New Jersey and its subsidiary, the Esso Export Corp., which the government is suing to recover \$35,862,288.

It is the law firm, with offices at 48 Wall St., with which Secretary of State John Foster Dulles had previously been associated.

The government filed suit in August, 1952, for recovery of this money as alleged excessive prices charged for Arabian crude oil to private importers in European countries participating in the Marshall Plan from April 1949, to August, 1952.

Ethics Questioned

The government had moved for disqualification of the law firm because Garfield Horn, a member of the firm taking an active interest in the present case, was a government counsel for a Paris office of the Economic Co-operation Administration during the period in question and had obtained confidential information relating to the suit by virtue of his previous position. The government argued also that the canons of legal ethics prohibit an attorney from working against a former client's interest.

Judge Kaufman ruled that a former government attorney could be disqualified only in cases in which he actually investigated or passed upon. If it had not been clearly proved, the jurist said in effect, that Mr. Horn had investigated the matters relating to the case or that it had been his duty to do so. A former government attorney would not be disqualified in a situation, added the jurist, in which he merely might have undertaken an investigation but did not do so.

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